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## **NEWS RELEASE**

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### **BANNOCK COUNTY BENEFITS FROM \$81 MILLION DOLLAR INVESTMENT FROM THE DEPARTMENT OF HEALTH & WELFARE**

Last year, Bannock County residents and businesses received \$81 million from Department of Health & Welfare programs that help people in need. The investment benefits every one of the county's 76,000 residents. Of Idaho's 44 counties, Bannock County ranks number 7 in per capita outlay of Health & Welfare dollars. Last year Bannock County ranked 15 in per capita outlay.

The disbursement of state and federal tax dollars amounts to \$1,066 for every man, woman and child residing in Bannock County. This includes citizens who may not receive a single direct service from the Department. The statewide average is \$839 per capita.

The Department distributed \$1.15 billion in Idaho communities in 2004. These funds came from Medicaid, additional payments to hospitals, Food Stamps, the Idaho Child Care Program, the Women, Infants and Children nutritional program, foster care and a variety of other assistance programs.

"This is an investment for all Bannock County residents," says Health & Welfare Director Karl Kurtz. "These are tax dollars put to good use because they are used to help people become healthy and productive. This money goes go to foster care for children in crisis, substance abuse treatment for adults and adolescents, improvements and operations at local hospitals, and dozens of other badly needed services."

"This is as much about sustaining communities as it is investing," adds Kurtz. "By providing programs that support people, we are helping communities and their residents build the endurance and strength they need to remain vital. Everyone profits from this investment, not just those who use Department programs. This isn't just me pounding my chest. That's what community leaders tell us."

Bannock County Commission Chairman Jim Guthrie says, “We are a little on the low side on disposable income for our county. It certainly is an investment. When these dollars come into the county they neutralize the impact of the low income. WIC, Food Stamps, and things like that — the dollars are spent with local merchants. They are significant to businesses.”

In 2004, the Department’s Medicaid Division spent \$64 million on health care for residents of the county — a \$13 million increase over the previous year. Medicaid spending for county residents was the primary reason Bannock County’s per capita ranking jumped eight spots to number seven. Bannock County health care providers also got a boost from people who live in other counties who brought an additional \$4.2 million in Medicaid spending to the county. Total expenditures in Bannock County for all people using Medicaid services totaled \$68.6 million.

A large share of the dollars go to drug stores like Super Save Drug in Pocatello. “Medicaid is close to 50 percent of our business,” says pharmacy co-owner Lorri Gego-Shaver. “These local pharmacies are very important. We have 200 mental health patients and most of them are Medicaid. We do a lot of (drug) counseling for these folks and this helps keep them in the community (rather than at a hospital).”

The story is much the same at Portneuf Medical Center. The hospital received \$15.6 million in Medicaid payments last year. This includes about \$2 million in extra payments called Federal Upper Payment Limits and Disproportionate Share. These extra payments are made to compensate the hospital for having a large number of Medicaid patients. “These monies help us serve our Medicaid clients,” says Shirley Annen, the hospital’s Director of Finance. “The (extra payments) go into our general operations. This helps us remain solvent and provide care to everyone at the hospital not just Medicaid patients.”

Kurtz says, “Another example is Food Stamp payments. It is a direct investment in neighborhood grocery stores which use that money to hire clerks and meat cutters. Bannock County residents received \$7.9 million in Food Stamps in 2004, spending \$6.8 million with local grocers. This means families get the food they need, and the merchant creates jobs in the community.”

Last year Food Stamp expenditures increased by \$1.5 million in Bannock County and served 800 more people than in 2003.

Ridley's Food & Drug in Pocatello redeemed \$393,800. Mark Ridley, the 11-store chain’s advertising and marketing coordinator, says those receipts are “incredibly important.” He says, “That money allowed us another 4,000 hours in our store that year, making new jobs.”

Department spending helps people, and it has an upside for business, according to Idaho economist John Church. “This is not lost money. The spending is an investment. It goes back into the economy. If an employer came to town and spent this much money we would be elated. People need to remember that a big chunk of this is federal money which is a huge return on our taxes. This comes back and helps stimulate the economy and it helps people.”

Kurtz says, “Not only is the Department money a human investment, but it creates jobs and maintains healthy businesses. These dollars recycle numerous times in each community and help us keep the high quality of life we enjoy in Idaho. This is a wise use of taxpayer dollars because the money spent in the community often stays in the community. The dollars are spent again and again to help create jobs and an infrastructure that provides healthy and safe neighborhoods.”

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**(Editors:** Interviews are available on request. Contact Ross Mason at 334-0693 or Regional Director Nick Arambarri at 239-6280 for more information.)

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investment in every Idaho County  
can be found online at  
<http://www.healthandwelfare.idaho.gov>**